



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-0500

OFFICE OF GENERAL COUNSEL

August 8, 2017

MEMORANDUM FOR: Secretary Benjamin S. Carson, Sr.

FROM:  Linda M. Cruciani, Deputy General Counsel for Operations, CAG

SUBJECT: Ethics Advice

This memorandum provides ethics guidance regarding your recusals and involvement in outside business activities.

Upon confirmation, you signed a recusal related to organizations with which you held a position prior to coming to HUD. Those organizations include the Carson Scholars Fund, My Faith Votes, Academy of Achievement, American Business Collaborative and BenCan. Under the terms of your recusal, you are prohibited from working on particular matters involving specific parties in which any of those entities is a party or represents a party for two years. See 5 CFR § 2635.502 and Par. 6 of the Ethics Pledge (Executive Order 13770). This recusal applies to work that you do in your official capacity and your use of HUD property, resources and personnel, including schedulers, the advance team, speechwriters, and employees in the Office of Public Affairs. It does not apply to any contacts you may have with the Carson Scholars Fund, My Faith Votes, Academy of Achievement, American Business Collaborative and BenCan in your personal capacity.

Federal employees must use Federal property for authorized purposes and official time in an "honest effort to perform official duties." See 5 CFR §§ 2635.704-705. HUD has a limited personal use policy which allows the use of government property and time for limited personal use. Brief meetings of a personal nature may occur on Federal property. Repeated meetings on Federal property with individuals with whom you have a personal connection should be avoided. This is especially important as it relates to individuals associated with entities with which you have a recusal. Repeated meetings with such individuals can create the appearance that you are not complying with your recusal, even if the meetings are personal in nature. It should be noted that HUD's Limited Personal Use policy does not extend to outside business endeavors, which means that HUD property should not be used to engage in any outside business arrangements.

Your wife, who is a board member and co-founder of the Carson Scholars Fund, has attended official HUD meetings. The ethics rules do not prohibit Mrs. Carson from continuing to be a board member of the Carson Scholars Fund or attending official HUD meetings. However, when she or you discuss the Carson Scholars Fund at official HUD meetings, it creates the appearance that you are improperly using your official position to help the Carson Scholars Fund. See 5 CFR § 2635.702. It creates the appearance that you are violating your recusal by participating in an official matter involving the Carson Scholars Fund whether both of you or just she broaches the topic.

Your wife has indicated that she wishes to continue to fundraise for the Carson Scholars Fund. Mrs. Carson is not prohibited from fundraising, but there are some restrictions if her efforts are connected to your position as Secretary. Mrs. Carson should not solicit funds from a party whom she met because of your position as Secretary unless she can document a clear prior relationship with that party. This is important to avoid the appearance that you are using your position to introduce your wife to potential contributors, which would be a misuse of position under 5 CFR § 2635.702.

Your wife has asked if you may participate in fundraising activities for Carson Scholars Fund. If you wish to personally participate in fundraising for the Carson Scholars Fund, there are some restrictions you must follow. You may not solicit funds or participate in the conduct of a fundraising event for Carson Scholars Fund in your official capacity. See 5 CFR § 2635.808. Although giving an "official speech" at a fundraising event is sometime permitted, because of your recusal from Carson Scholars Fund, you are prohibited from speaking at a fundraiser even if your speech otherwise qualified as an "official speech." See 5 CFR § 2635.808(a)(3). You may solicit funds or participate in fundraisers in your personal capacity, but you are prohibited from soliciting funds from any HUD employee or any prohibited source. 5 CFR § 2635.808(c)(1). Prohibited sources include anyone who has or seeks business before the Department and anyone who is regulated by the Department. 5 CFR § 2635.203(d)(4). In addition, you are not permitted to use your official title or HUD resources, including HUD properties, HUD personnel, or HUD meetings, in connection with your fundraising.

If you have any questions about this guidance, please do not hesitate to contact me.